

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WISCONSIN
AT LAW AND IN ADMIRALTY

UNITED STATES OF AMERICA,

Plaintiff,

v.

Case No.

APPROXIMATELY \$171,194.18 IN UNITED
STATES CURRENCY FROM AS SEB PANK
INTERNATIONAL BANK ACCOUNT
NUMBER ENDING IN 3225,

Defendant.

VERIFIED COMPLAINT FOR CIVIL FORFEITURE IN REM

The United States of America, by its attorneys, Matthew D. Krueger, United States Attorney for the Eastern District of Wisconsin, and Scott J. Campbell, Assistant United States Attorney for this district, alleges the following in accordance with Supplemental Rule G(2) of the Federal Rules of Civil Procedure:

Nature of the Action

1. This is a civil action to forfeit property to the United States of America, under Title 18, United States Code, Section 981(a)(1)(C), including cross-references to Title 18, United States Code, Sections 1956(c)(7) and 1961(1), for violations of Title 18, United States Code, Section 1343.

The Defendant In Rem

2. The defendant approximately \$171,194.18 in United States currency was seized on or about March 19, 2020, when the United States Treasury received a wire transfer in that amount from AS SEB Pank, following the Federal Bureau of Investigation's execution of seizure

warrant #19-MJ-1266, on AS SEB Pank international bank account number ending in 3225 held in Tallinn, Estonia.

3. United States Magistrate Judge William E. Duffin of the Eastern District of Wisconsin had issued that warrant on or about June 18, 2019. The warrant authorized the seizure of up to \$196,081.78 in funds on deposit in AS SEB Pank account ending in 3225, held in the name of, or for the benefit of, Sigma di Evaristo Ambrogani, swift code: EEUHEE2XXX, Tallinn, Estonia.

4. The defendant property was seized in Tallinn, Estonia, and is presently in the custody of the United States Marshal Service in Milwaukee, Wisconsin.

Jurisdiction and Venue

5. This Court has subject matter jurisdiction over an action commenced by the United States under 28 U.S.C. § 1345, and over an action for forfeiture under 28 U.S.C. § 1355(a).

6. This Court has *in rem* jurisdiction over the defendant property under 28 U.S.C. § 1355(b).

7. Venue is proper in this district under 28 U.S.C. § 1355(b)(1) because the acts or omissions giving rise to the forfeiture occurred, in part, in this district.

Basis for Forfeiture

8. The defendant property is subject to forfeiture under Title 18, United States Code, Section 981(a)(1)(C), because it consists of, or is traceable to, proceeds of “specified unlawful activity” – as defined in Title 18, United States Code, Section 1956(c)(7), with reference to Title 18, United States Code, Section 1961(1) – namely, wire fraud, committed in violation of Title 18, United States Code, Section 1343.

Facts

Background

9. According to a March 2013 publication of the U.S. Federal Trade Commission, consumers lose hundreds of millions of dollars annually to cross-border financial crimes. Some of the most common cross-border financial schemes originate in West African nations such as Nigeria. Law enforcement agencies therefore sometimes refer to such schemes as “West African fraud schemes.”

10. One common West African fraud scheme is a Business Email Compromise (“BEC”) fraud scheme, in which a fraudster gains unauthorized access to, or spoofs, the email address of a victim company’s vendor and instructs the victim company to wire money to a bank account controlled by the fraudster or his associates on the false pretense that the bank account belongs to the victim company’s vendor.

11. Foreign perpetrators of such scams sometimes recruit willing or unwitting persons to open bank accounts that the foreign perpetrators use to receive proceeds of the scam.

March 28, 2018 wire transfer of 157,217.59 Euros into AS SEB Pank international bank account number ending in 3225

12. In March 2018, an unknown suspect perpetrated a BEC scam, against a victim business having the initials RTC. RTC is a business located in the Eastern District of Wisconsin. The scam involved material misrepresentations and the concealment of material facts, all made and done, respectively, with intent to defraud.

13. The unknown suspect spoofed the email account of an employee at a vendor company in Italy, Sigma, that supplies tile-cutting products to RTC. Before the BEC scam, victim RTC had been doing business with its Italian vendor, Sigma, for more than three years.

14. On March 22 and 23, 2018, RTC's Accounting Manager, an individual having the initials "C.E." exchanged email communications with a sales representative at Sigma having the initials "S.A." regarding RTC's payment of a Sigma invoice.

15. On March 27, 2018, an unknown suspect sent an email to RTC Accounting Manager C.E. using a spoofed email account for Sigma sales representative S.A.

16. That spoofed email message contained the signature line and company information typical of S.A.'s previous email messages to C.E. But the email address in the unknown suspect's spoofed email message differed from S.A.'s actual email address by one letter. The spoofed email message thereby falsely and fraudulently created the impression that the message was legitimate and had been sent from S.A.'s email account.

17. In the spoofed email message, the unknown suspect fraudulently directed RTC to wire 157,217.59 Euros to AS SEB Pank, Beneficiary: Sigma di Evaristo Ambrogani, EUR IBAN number: EE731010220267883225, Swift Code: EEUHEE2XXX, Tallinn, Estonia ("SEB 3225")—an account that does not belong to Sigma.

18. On March 28, 2018, in reliance on the unknown suspect's spoofed and fraudulent March 27 email message, RTC submitted an Outgoing Wire Transfer request to its financial institution to wire 157,217.59 Euros into SEB 3225, as the unknown suspect had fraudulently directed in his March 27, 2018 spoofed email message.

19. On March 28, 2018, RTC's bank wired 157,217.59 Euros into SEB 3225.

20. The conversion rate on March 28, 2018, would have converted the 157,217.59 Euros to approximately \$196,081.78 in United States currency.

21. On April 6, 2018, the unidentified suspect sent another spoofed email to RTC's Accounting Manager, C.E., posing as another Sigma employee identified only as "Franca." The spoofed email falsely and fraudulently indicated that Sigma had been unable to retrieve the

previously sent wire payment “due to the absent of our Agent...due to health issues.” The spoofed email message asked that RTC request a “call-back” on the funds so that the funds could be sent to a new bank account. A subsequent email from the suspect provided new bank account information for Sigma in Hong Kong.

22. RTC was the victim of a business email compromise fraud scam.
23. The 157,217.59 Euros – or approximately \$196,081.78 in United States currency – that RTC wire transferred to SEB 3225 on March 28, 2018, constituted proceeds of that fraud scam.
24. The defendant property consists of, and is traceable to, RTC’s March 28, 2018 wire transfer totaling 157,217.59 Euros – or approximately \$196,081.78 in United States currency – to SEB 3225.

Warrant for Arrest In Rem

25. Upon the filing of this complaint, the plaintiff requests that the Court issue an arrest warrant *in rem* pursuant to Supplemental Rule G(3)(b), which the plaintiff will execute upon the defendant property pursuant to 28 U.S.C. § 1335(d) and Supplemental Rule G(3)(c).

Claim for Relief

26. The plaintiff repeats and incorporates by reference the paragraphs above.
27. Based on the foregoing and other acts, the defendant property consists of, or is traceable to, proceeds of specified unlawful activity, namely, wire fraud, committed in violation of Title 18, United States Code, Section 1343, and is therefore subject to forfeiture to the United States of America under Title 18, United States Code, Section 981(a)(1)(C), with cross-references to Title 18, United States Code, Sections 1956(c)(7) and 1961(1).

WHEREFORE, the United States of America prays that a warrant of arrest for the defendant property, approximately \$171,194.18 in United States currency from AS SEB Pank

international bank account number ending in 3225, be issued; that due notice be given to all interested parties to appear and show cause why the forfeiture should not be decreed; that judgment declare the defendant property to be condemned and forfeited to the United States of America for disposition according to law; and that the United States of America be granted such other and further relief as this Court may deem just and equitable, together with the costs and disbursements of this action.

Dated at Milwaukee, Wisconsin, this 14th day of July, 2020.

Respectfully submitted,

MATTHEW D. KRUEGER
United States Attorney

By:

s/SCOTT J. CAMPBELL
SCOTT J. CAMPBELL
Assistant United States Attorney
Scott J. Campbell Bar Number: 1017721
Attorney for Plaintiff
Office of the United States Attorney
Eastern District of Wisconsin
517 East Wisconsin Avenue, Room 530
Milwaukee, Wisconsin 53202
Telephone: (414) 297-1700
Fax: (414) 297-1738
E-Mail: scott.campbell@usdoj.gov

Verification

I, Daniel Hargreaves, hereby verify and declare under penalty of perjury that I am a Special Agent with the Federal Bureau of Investigation in Milwaukee, Wisconsin, that I have read the foregoing Verified Complaint for Civil Forfeiture *in rem* and know the contents thereof, and that the factual matters contained in paragraphs 9 through 24 of the Verified Complaint are true to my own knowledge.

The sources of my knowledge are the official files and records of the United States, information supplied to me by other law enforcement officers, as well as my investigation of this case, together with others, as a Special Agent of the Federal Bureau of Investigation.

I hereby verify and declare under penalty of perjury that the foregoing is true and correct.

Date: 7-14-2020

s/DANIEL HARGREAVES

Daniel Hargreaves
Special Agent
Federal Bureau of Investigation

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

Place an "X" in the appropriate box: Green Bay Division Milwaukee Division

I. (a) PLAINTIFFS

UNITED STATES OF AMERICA

(b) County of Residence of First Listed Plaintiff _____
(EXCEPT IN U.S. PLAINTIFF CASES)(c) Attorneys (Firm Name, Address, and Telephone Number)
Scott J. Campbell, AUSA
US Attorney's Office, #530 Federal Building
517 E. Wisconsin Avenue, Milwaukee, WI 53202 (414-297-1700)

DEFENDANTS

APPROXIMATELY \$171,194.18 IN UNITED STATES CURRENCY
FROM AS SEB PANK INTERNATIONAL BANK ACCOUNT
NUMBER ENDING IN 3225County of Residence of First Listed Defendant Tallinn, Estonia(IN U.S. PLAINTIFF CASES ONLY)
NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF
THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

<input checked="" type="checkbox"/> 1 U.S. Government Plaintiff	<input type="checkbox"/> 3 Federal Question (U.S. Government Not a Party)
<input type="checkbox"/> 2 U.S. Government Defendant	<input type="checkbox"/> 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

	PTF	DEF		PTF	DEF
Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business In This State	<input type="checkbox"/> 4	<input type="checkbox"/> 4
Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business In Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5
Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6

IV. NATURE OF SUIT (Place an "X" in One Box Only)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance	PERSONAL INJURY	PERSONAL INJURY	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881	<input type="checkbox"/> 375 False Claims Act
<input type="checkbox"/> 120 Marine	<input type="checkbox"/> 310 Airplane	<input type="checkbox"/> 365 Personal Injury - Product Liability	<input type="checkbox"/> 422 Appeal 28 USC 158	<input type="checkbox"/> 400 State Reapportionment
<input type="checkbox"/> 130 Miller Act	<input type="checkbox"/> 315 Airplane Product Liability	<input type="checkbox"/> 367 Health Care/ Pharmaceutical Personal Injury Product Liability	<input type="checkbox"/> 423 Withdrawal 28 USC 157	<input type="checkbox"/> 410 Antitrust
<input type="checkbox"/> 140 Negotiable Instrument	<input type="checkbox"/> 320 Assault, Libel & Slander	<input type="checkbox"/> 368 Asbestos Personal Injury Product Liability	PROPERTY RIGHTS	<input type="checkbox"/> 430 Banks and Banking
<input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment	<input type="checkbox"/> 330 Federal Employers' Liability	<input type="checkbox"/> 370 Other Fraud	<input type="checkbox"/> 820 Copyrights	<input type="checkbox"/> 450 Commerce
<input type="checkbox"/> 151 Medicare Act	<input type="checkbox"/> 340 Marine	<input type="checkbox"/> 371 Truth in Lending	<input type="checkbox"/> 830 Patent	<input type="checkbox"/> 460 Deportation
<input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans)	<input type="checkbox"/> 345 Marine Product Liability	<input type="checkbox"/> 380 Other Personal Property Damage	<input type="checkbox"/> 840 Trademark	<input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations
<input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits	<input type="checkbox"/> 350 Motor Vehicle	<input type="checkbox"/> 385 Property Damage Product Liability	LABOR	<input type="checkbox"/> 480 Consumer Credit
<input type="checkbox"/> 160 Stockholders' Suits	<input type="checkbox"/> 355 Motor Vehicle Product Liability	<input type="checkbox"/> 390 Other Personal Injury	SOCIAL SECURITY	<input type="checkbox"/> 490 Cable/Sat TV
<input type="checkbox"/> 190 Other Contract	<input type="checkbox"/> 360 Other Personal Injury	<input type="checkbox"/> 400 Other Personal Injury	<input type="checkbox"/> 861 HIA (1395ff)	<input type="checkbox"/> 850 Securities/Commodities/ Exchange
<input type="checkbox"/> 195 Contract Product Liability	<input type="checkbox"/> 362 Personal Injury - Med. Malpractice	<input type="checkbox"/> 405 Product Liability	<input type="checkbox"/> 862 Black Lung (923)	<input type="checkbox"/> 890 Other Statutory Actions
<input type="checkbox"/> 196 Franchise			<input type="checkbox"/> 863 DIWC/DIWW (405(g))	<input type="checkbox"/> 891 Agricultural Acts
			<input type="checkbox"/> 864 SSID Title XVI	<input type="checkbox"/> 893 Environmental Matters
			<input type="checkbox"/> 865 RSI (405(g))	<input type="checkbox"/> 895 Freedom of Information Act
				<input type="checkbox"/> 896 Arbitration
				<input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision
				<input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY	CIVIL RIGHTS	PRISONER PETITIONS	FEDERAL TAX SUITS	
<input type="checkbox"/> 210 Land Condemnation	<input type="checkbox"/> 440 Other Civil Rights	<input type="checkbox"/> 510 Motions to Vacate Sentence	<input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant)	
<input type="checkbox"/> 220 Foreclosure	<input type="checkbox"/> 441 Voting	Habeas Corpus:	<input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	
<input type="checkbox"/> 230 Rent Lease & Ejectment	<input type="checkbox"/> 442 Employment	<input type="checkbox"/> 530 General		
<input type="checkbox"/> 240 Torts to Land	<input type="checkbox"/> 443 Housing/ Accommodations	<input type="checkbox"/> 535 Death Penalty		
<input type="checkbox"/> 245 Tort Product Liability	<input type="checkbox"/> 445 Amer. w/Disabilities - Employment	<input type="checkbox"/> 540 Mandamus & Other		
<input type="checkbox"/> 290 All Other Real Property	<input type="checkbox"/> 446 Amer. w/Disabilities - Other	<input type="checkbox"/> 550 Civil Rights		
	<input type="checkbox"/> 448 Education	<input type="checkbox"/> 555 Prison Condition		
		<input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement		
		<input type="checkbox"/> 465 Other Immigration Actions		
V. ORIGIN	(Place an "X" in One Box Only)			
<input checked="" type="checkbox"/> 1 Original Proceeding	<input type="checkbox"/> 2 Removed from State Court	<input type="checkbox"/> 3 Remanded from Appellate Court	<input type="checkbox"/> 4 Reinstated or Reopened	<input type="checkbox"/> 5 Transferred from another district (specify) _____
				<input type="checkbox"/> 6 Multidistrict Litigation
	Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):			
	18 USC § 981(a)(1)(C)			
	Brief description of cause:			

VII. REQUESTED IN COMPLAINT: CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23 DEMAND \$ CHECK YES only if demanded in complaint:
JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY (See instructions): JUDGE DOCKET NUMBER

DATE SIGNATURE OF ATTORNEY OF RECORD
07/14/2020 s/SCOTT J. CAMPBELL

FOR OFFICE USE ONLY

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WISCONSIN
AT LAW AND IN ADMIRALTY

UNITED STATES OF AMERICA,

Plaintiff,

v.

Case No.

APPROXIMATELY \$171,194.18 IN UNITED
STATES CURRENCY FROM AS SEB PANK
INTERNATIONAL BANK ACCOUNT
NUMBER ENDING IN 3225,

Defendant.

WARRANT FOR ARREST IN REM

To: THE UNITED STATES MARSHAL SERVICE
Eastern District of Wisconsin

WHEREAS, a Verified Complaint for Civil Forfeiture *in rem* was filed on the 14th day of July, 2020, by the United States Attorney for the Eastern District of Wisconsin, which seeks the forfeiture of the above-named defendant property pursuant to Title 18, United States Code, Section 981(a)(1)(C), and which prays that process issue to enforce the forfeiture and to give notice to all interested parties to appear before the court and show cause why the forfeiture should not be decreed; and due proceedings being had, that the defendant property be condemned and forfeited to the use of the United States of America.

YOU ARE THEREFORE HEREBY COMMANDED to attach and arrest the defendant property, approximately \$171,194.18 in United States currency from AS SEB Pank international bank account number ending in 3225, which is presently in the custody of the United States Marshal Service, and to detain the same until further order of this Court.

Dated this ____ day of _____, 2020, at Milwaukee, Wisconsin.

GINA COLLETTI
Clerk of Court

By:

Deputy Clerk

Return

This warrant was received and executed with the arrest of the above-named defendant.

Date warrant received: _____

Date warrant executed: _____

Name and title of arresting officer: _____

Signature of arresting officer: _____

Date: _____